Department of Energy



Bonneville Power Administration 1520 Kelly Place Walla Walla, Washington 99362

April 1, 2002

In reply refer to: PTS-Walla Walla

To: People Interested in the Blackfeet Wind Project

This letter is to inform you of changes regarding the Blackfeet Wind Project on Duck Lake Ridge. The Bonneville Power Administration (BPA) has been provided estimated costs of power from the project and has determined that the project would not be cost competitive and has decided not to purchase power from this project. Although work on the Environmental Impact Statement (EIS) has been stopped, BPA will fund completion of the biological studies begun last year and will provide the data to the Blackfeet Tribe. This data should provide the Blackfeet Tribe with the biological data necessary to pursue future development of a wind power project on Duck Lake Ridge.

There are several reasons why BPA decided not to purchase power from this particular project. First, wind measurements at the site indicate a lower wind resource than the developer expected. Second, the costs associated with transmission, integration, and delivery of the energy from the project were higher than expected. Third, transmission constraints between Montana Power Company and BPA prevent delivery of the project energy outside of Montana to BPA. Finally, recent changes in the estimated long-range cost of power make the project less cost competitive for BPA.

In May 2001, BPA held scoping meetings in Browning and Babb. At that time, we heard from many people that a utility scale wind project would be welcomed on the reservation. We are disappointed that the project economics did not work out for BPA on the Blackfeet Wind Project at Duck Lake Ridge.

If you have any questions regarding this decision, please feel free to call me at (509) 527-6211.

Sincerely,

Tom Osborn Project Manager